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Marais, Hein

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The Crisis of waged-work in South Africa and the option of a Universal Basic Income

Heinrich Marais (2241367)

ABSTRACT

Waged work is commonly presented as the core basis for meeting basic needs, realising essential social rights and achieving social inclusion. Yet waged work that provides a livable income on reasonably predictable and secure terms is rare in "developing" economies and increasingly scarce in "developed" economies. This trend is particularly acute and long-standing in South Africa, where it is likely to persist, even worsen, as the impact of economic instability, climate change shocks, public health crises and labour market restructuring accumulates.

This dissertation describes and analyses this crisis of waged work briefly at the global level and then in greater detail as it manifests in South Africa, before examining the potential benefits, disadvantages and risks of a universal basic income (UBI). It describes the origins of the concept, reviews the main claims and assumptions associated with it in current discourse, and presents a specific definition of a UBI which could function as a vital supplement to other forms of social wage provisioning.

The text then examines in detail the potential merits and the critiques of such an intervention in the South African context, thereby transporting to a “developing” country context a debate which is occurring mainly in “developed” countries. We assess the likely impact of a UBI on poverty and inequality, as protection against escalating social and economic disruptions, and in relation to the pursuit of social and economic justice as a foundational principle and basis for democracy. In doing so, the text examines the resonant questions a UBI raises about the roles and obligations of the state; the relationship of paid work to the realisation of social rights; systems of income distribution; entitlement and dependency; and wider macroeconomic and other policy frameworks that shape access to income and entitlements. It also examines the financial costs of various UBI variants, considers a

variety of financing options and discusses the political dimensions of a UBI with a view to assessing its viability, taking note of lessons from the South African campaign in the early 2000s for a basic income grant. The dissertation concludes with an assessment of the (de)merits of a UBI in the South African context, where it emphasises the need to consider and position a UBI as part of a broader train of progressive policy and governance changes and social mobilisation.